

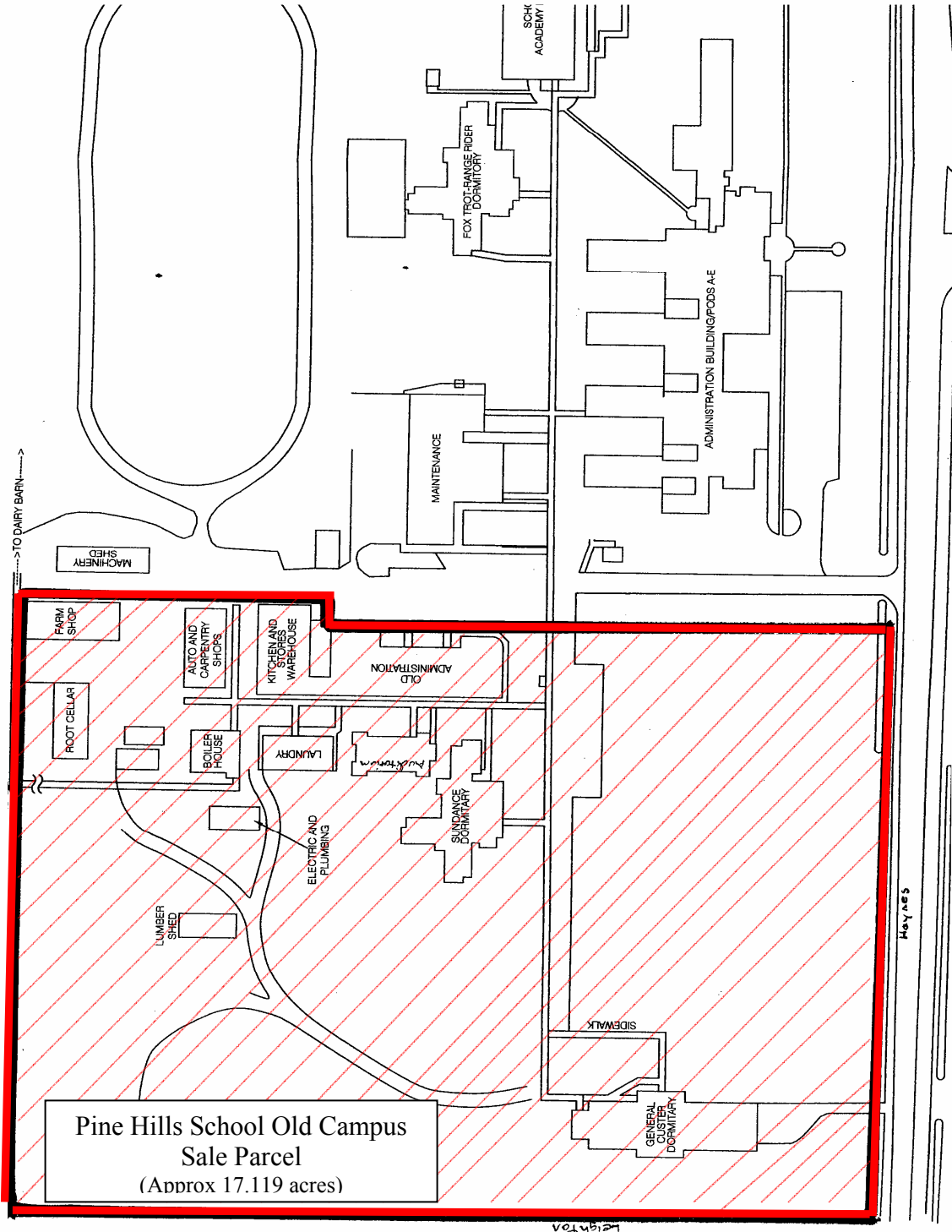
# **LAND BOARD AGENDA ITEM**

## **SEPTEMBER 17, 2007**

### **Preliminary Approval**

#### **Dept. of Corrections Transfer of the Old Campus of Pine Hills Correctional Facility in Miles City, Montana**

- Proposal:** The Dept. of Corrections (DOC) proposes to transfer fee title of 17.119 acres including associated buildings located at the intersection of Haynes Avenue and Leighton Blvd in Miles City, Montana.
- Custer County would like to acquire the property and use some of the existing buildings as storage and for a location to construct a juvenile detention facility. Custer County is apprised of the environmental hazards associated with the property and is seeking grants to mitigate the contamination.
- History:** The DOC owns the property as a result of the reorganization of the Department of Institutions into DOC and the Dept. of Public Health and Human Services. The Old Campus was abandoned in the 1990's. On two occasions in 2007 DOC attempted to sell the Old Campus at public auction, and on both occasions there were no bidders despite commercial advertising within and outside of Montana.
- Authority:** §77-2-302, MCA, and §77-2-351, MCA, authorizes the Board of Land Commissioners to dispose of, sell, or exchange certain state lands after consultation with the appropriate legislative committee. The proposed transfer was presented before the Senate Administration Committee on September 5, 2007. No issues or concerns were raised by this committee.
- Restrictions:** The following deed restrictions will apply to the property upon transfer to Custer County:
- Sale of weapons on the property is prohibited;
  - Buyer will install a security fence (at least 12 feet in height) between the south side of the corner property and the current Pine Hills campus as a barrier; and,
  - Access to the property will not be allowed through the current Haynes Avenue access to Pine Hills. Two acceptable access points presently exist (an additional Haynes Avenue access and Leighton Boulevard).
  - Custer County will assume all responsibility and liability for the property, buildings and any contents (i.e., asbestos, hazard mitigation, etc.).
- Benefit to the State:** The Old Campus facility is not in use and DOC has no future use for the property. The State receives no revenue from the property, and the empty buildings are a potential liability to the State. The use of the property and buildings for county services would be a benefit to Custer County.
- Recommendation:** The Director of Corrections recommends that the Land Board grant preliminary approval of the transfer of this property to Custer County. Upon approval a public notice of the proposal will be published in the Miles City Star and the public will be given an opportunity for comment.



Pine Hills School Old Campus  
Sale Parcel  
(Approx 17.119 acres)